

Senate File 2116 - Introduced

SENATE FILE _____
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO SSB 3037)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the recording of a certificate of release by
2 the Iowa finance authority.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 5293SV 82
5 md/rj/8

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1 1 Section 1. Section 16.92, subsection 5, paragraph c, Code
1 2 Supplement 2007, is amended to read as follows:
1 3 c. In addition to any other remedy provided by law, if the
1 4 division through an act of negligence wrongfully or
1 5 erroneously records a certificate of release under this
1 6 section, the division is liable to the mortgagee and mortgage
1 7 servicer for actual damages sustained due to the recording of
1 8 the certificate of release.

EXPLANATION

1 9
1 10 Current Code section 16.92, subsection 5, paragraph "c",
1 11 provides that the Iowa finance authority title guaranty
1 12 division is liable to a mortgagee and mortgage servicer for
1 13 actual damages sustained if a certificate of release is
1 14 wrongfully or erroneously recorded. This bill modifies the
1 15 standard for imposing liability on the title guaranty
1 16 division. Liability will be imposed under the bill if the
1 17 division through an act of negligence wrongfully or
1 18 erroneously records a certificate of release.
1 19 LSB 5293SV 82
1 20 md/rj/8